

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 195619
ORIGIN XMB-04

INFO OCT-01 NEA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 /063 R

XMB

DRAFTED BY XMB: A EMMET:EMC
APPROVED BY NEA/AFN: JKBISHOP
XMB: C NORRIS
EB/IFD/ODF:TPARKER
-----072762 031401Z /53
R 031144Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY ALGIERS

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E.O. 11652: N/A

TAGS: EFIN, AG

SUBJECT: EXIMBANK PC FOR SONELGAZ

1. ON JULY 27, 1978, EXIMBANK APPROVED ISSUANCE OF A PC
TO GENERAL ELECTRIC (GE) TO FINANCE GAS TURBINE GEN-
ERATORS WITH A US VALUE OF DLRS 75 MILLION FOR THE M'SILA
POWER STATION. TERMS ARE AS FOLLOWS: 15 PERCENT CASH
PAYMENT, 65 PERCENT EXIM CREDIT AT 8 5/8 PERCENT INTEREST;
20 PERCENT PRIVATE CREDIT AND REPAYMENT IN 20 SEMIANNUAL
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INSTALLMENTS BEGINNING SIX MONTHS AFTER COMMERCIAL
OPERATION BUT NOT LATER THAN DECEMBER 31, 1981.

2. GE REP RECENTLY IN ALGIERS IS CONCERNED THAT TERMS
OFFERED BY EXIM IN PC WILL NOT PUT GE IN POSITION SUFFI-
CIENTLY COMPETITIVE WITH NON-US FIRMS BIDDING ON PROJECT.
GE REP ASKED SONELGAZ OFFICIALS TO TELL HIM THE TERMS
AND CONDITIONS OF FINANCING OFFERED BY NON-US FIRMS BUT
WAS TOLD THAT INFO WOULD BE RELEASED BY SONELGAZ ONLY TO

EXIM OR TO EMBASSY OFFICIAL FOR TRANSMITTAL TO EXIM.

3. WHILE WE ARE NOT CONVINCED, SONELGAZ WOULD ACTUALLY MAKE INFO AVAILABLE, SUCH INFO WOULD BE USEFUL TO EXIM IN DETERMINING WHETHER OUR SUPPORT FOR GE PROPOSAL IS IN FACT COMPETITIVE. WE HAVE NOT BEEN ABLE TO OBTAIN USEFUL INFO THROUGH OECD CHANNELS.

4. EXIM WOULD APPRECIATE IT IF MR. SMITH OR MR. WARREN COULD GO TO SONELGAZ AND TRY TO GET INFO. ACCORDING TO GE, MR. M. BELHOUS, MANAGER, NEW POWER PLANT PROJECTS, SONELGAZ, 2 BLVD. SALAH BOUAKOUIR, IS THE MAN TO CONTACT.
VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOANS, ELECTRICAL INDUSTRY, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE195619
Document Source: CORE
Document Unique ID: 00
Drafter: A EMMET:EMC
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780318-0334
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197808102/aaaadhio.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 96d28457-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1545975
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK PC FOR SONEGZ
TAGS: EFIN, AG, GENERAL ELECTRIC, XMB
To: ALGIERS
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/96d28457-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014